

UNKNOWN TO DIRECTORS

IRREGULAR TRANSACTIONS IN THE ASBURY
PARK BANK.

LARGE AMOUNTS DRAWN, IT IS SAID, BY THE
PRESIDENT—THE DIFFICULTY MET IN TIME

Asbury Park, March 7.—For two weeks all sorts of rumors have been flying around town concerning the soundness of the Asbury Park National Bank. Little if any attention was paid to these

rumors at the time. But when it became known that Bank Examiner Robert E. James was in town investigating the affairs of the institution, people began to suspect that all was not as it should be, and anxiously looked for the report of the examiner. It leaked out that the president of the bank, George W. Brown, had borrowed

In November, 1889, New-York speculators began operations with the Asbury Park National Bank, through the account of Arthur L. Meyer, who is a stockholder in the bank and

who keeps a large running account in this institution. These operations were for large sums of money, and reached as high as \$10,000 daily. These checks were in many cases sent by New-York banks to other banks in Asbury Park for collection. To meet these checks, the necessary amount was invariably sent to the bank by express from New-York. The banks of Asbury Park make their exchanges each day in cash. In this way it happened that the checks from Simmons and others were often presented at the Asbury Park National Bank before the money was received from New-York, owing to the delay of

the express company. This caused a large daily indebtedness of the bank to the other banks, and occurred so frequently that the bank declined to transact any more of this kind of business. The transactions, however, the bankers say, were entirely legitimate.

"If it were intended to make use of the bank in any 'kiting' business," said E. H. Murphy, counsel for the bank, "the scheme was not carried out because of the bank's refusal to allow further transactions of that nature."

The report that Philip L. Meyer had dealings with the bank is untrue. Arthur L. Meyer had had dealings with it through Long Branch and other neighboring property owned by his father, Sigmund T. Meyer.

George W. Byram, the president of the bank, who was away from home to-day, arrived here late tonight. He had not learned of the sensational statements of the affairs of the bank until after his return. He has been away since Monday of last week on business in no way connected with the bank. He was emphatic in his statement of this fact, because it has been hinted that there

From the statements of Mr. Byram and Mr. Murphy it appears that the law restricting the loan of money by a bank to 10 per cent of its capital stock has been evaded by Mr. Byram by so arranging the loans that they were made in the form of advances through accommodation.

the names of other persons, through accommodation paper for use in Mr. Byram's business transactions. It is further claimed that arrange-

ments had been made for the taking up of a large portion of the notes given, but that there was a delay of twenty-four hours in the arrival

of funds. Just at that time Bank Examiner James, who was sent down to investigate the connection of the bank with the transactions of Pell and Simmons, arrived and discovered the condition of the books. The notes were at once

Mr. James expressed himself as perfectly satisfied, but said that Mr. Byram should never have taken the loans. The amount of these loans has been reported to be at about \$56,000.

This, Mr. Byram says, is an exaggeration, but he did not disclose the amount. Mr. Murphy said that he thought Mr. Byram could be credited with the amount of \$35,000. The loans were unauthorized by the board of directors. Through the strenuous efforts of Mr. Byram, however, in

raising the amount of money, the business at the bank has been going on as usual, and the concern is solvent. On Wednesday next a meeting of the stockholders will be held and a reorganization effected.

The bank was organized about two years ago with a capital stock of \$100,000. Mr. Byram is its president, Stephen T. Willets, of New-York is its president, and John Rockefeller, Harold E.

Willard and William P. Byram, of this place, the directors.

STORY OF THE VICE-PRESIDENT.
WHY HE DENIED RECENTLY THAT HE OCCUPIED

Stephen T. Willets, the vice president of the bank who is a grocer at No. 353 Washington-st., this city heard of the rumors of trouble in the bank on Thurs

ward of the numbers of trouble in the family on Tuesday, and went to Asbury Park yesterday morning. On his return last evening he was seen at his home, No. 95 Lefferts Place, Brooklyn, by a Tribune re-

porter. He said that he had seen the counsel of the bank, E. H. Murphy, from whom he heard that the United States Bank Examiner, Robert E. James, of Easton, Penn., had thoroughly investigated the affairs of the bank and had found the institution all right. Mr. Willets did not know, he said, if the president of

the bank, George W. Byram, had borrowed \$56,000 or any other sum from the bank. In regard to the statement that Pell, Wallack & Co. had kept large accounts at the bank, which they used in "kiting" checks, Mr. Willets said he had never heard that the syndicate which wrecked the Sixth National, the

Lenox Hill and the Equitable banks of this city had any dealings with the Asbury Park National Bank. If they had, he would have heard of them, he thought, but at the same time he could not affirm positively that the story was false.

Mr. Willets explained that he had denied being vice-president of the bank on Thursday under a misapprehension.

president of the bank on Thursday under a misapprehension. Last fall he had told the other directors of the bank that he did not wish to be re-elected vice-president, as he thought it would be better to have a resident of Asbury Park fill the place. The election of officers was usually held in January, so he believed his successor had been chosen. He learned yesterday, how-

The cashier of a prominent Broadway bank said yesterday that the law that no national bank shall lend a sum larger than 10 per cent of its capital

stock to a single person, which law the Asbury Park bank is said to have violated, is more often honored in the breach than in the observance. It was customary for New York banks with small capital stocks and big surpluses to disregard it frequently, he said.

bank," said Vice President Clarke of the American Exchange Bank, No. 125 Broadway, "but as to any irregular doings in that institution, we know absolutely nothing. We have never, as has been alleged, had our suspicions aroused and demanded better security of the bank. It is true that we have often lent the Asbury Park Bank money on security, and we hold a small amount of its paper now, but it does not represent more than \$10,000 and is perfectly

President Coe, of the American Exchange Bank, said he did not believe that anything was wrong with the New Jersey bank; anyway he knew nothing of its affairs, and did not even know the name of its president.

SIX DEATHS IN ONE FAMILY.
Zanesville, Ohio, March 7.—J. C. McGregor, reading clerk of the State House of Representatives, died at 11:30 o'clock this morning, of diphtheria. Mrs. McGregor died last Friday, immediately after the death of four children, making six deaths in the family within a little over two weeks. One of the four

small children remaining is now lying low with the disease, together with Mr. McGregor's aged father, for whom there is little hope of recovery.